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Comm. Amdt. _____

Amendment No. 3 to HB0653

**Fitzhugh
Signature of Sponsor**

AMEND Senate Bill No. 611*

House Bill No. 653

By deleting all language after the enacting clause and by substituting instead the following language:

SECTION 1. Tennessee Code Annotated, Section 49-4-902, is amended by adding the following language as new, appropriately designated subdivisions:

() "Academic requirement" means a requirement of a specified grade point average, ACT or SAT score or cumulative grade point average that determines either initial or continuing eligibility for postsecondary financial assistance from net lottery proceeds;

() "Nonacademic requirement" means any scholarship eligibility requirement other than an academic requirement;

SECTION 2. Tennessee Code Annotated, Section 49-4-911, is amended by deleting the section in its entirety and by substituting instead the following:

(a) To continue to receive a Tennessee HOPE scholarship, a student at an eligible postsecondary institution shall continue to meet all applicable requirements for the scholarship and shall reapply for the scholarship upon attempting twenty-four (24), forty-eight (48), seventy-two (72), ninety-six (96) or any subsequent multiple of twenty-four (24) semester hours. At the end of any semester at which a student reapplies for the scholarship, the student shall achieve a cumulative grade point average of at least 2.75 to continue to receive the Tennessee HOPE scholarship. Prior to the student receiving a baccalaureate degree or reaching the maximum number years for which a scholarship shall be funded under § 49-4-913, the student shall have achieved a

cumulative grade point average of at least 2.75 to continue to receive the Tennessee HOPE scholarship.

(b) A student receiving a Tennessee HOPE scholarship, who ceases to be academically eligible for the scholarship because the student fails to achieve the cumulative grade point average required at the end of the semester in which the student has attempted a total of twenty-four (24), forty-eight (48), seventy-two (72), ninety-six (96) or any subsequent multiple of twenty-four (24) semester hours, may regain the HOPE scholarship, if the student continues to meet all applicable nonacademic requirements for the scholarship, attends an eligible postsecondary institution without the HOPE scholarship, achieves the required cumulative grade point average at the end of any semester in which eligibility would have been reviewed under this section had the student not lost the scholarship, and reapplies for the scholarship. A student who regains the scholarship and then loses the scholarship a second time, by failing to achieve the required cumulative grade point average at the end of a subsequent semester in which academic qualifications are reviewed, may not regain the scholarship. No retroactive award of a Tennessee HOPE scholarship shall be made under this subsection (b) for semester hours attempted in order to regain the scholarship.

(c) If a student ceases to be eligible for postsecondary financial assistance from net lottery proceeds at any time, for any reason other than failure to maintain the required cumulative grade point average, then the student shall not be able to regain a Tennessee HOPE scholarship.

(d) Notwithstanding the provisions of subsection (a) and § 49-4-902 to the contrary, a student may choose to repeat one (1) course one (1) time, and have such student's cumulative grade point average, for the purposes of determining whether the student meets the continuation requirements of subsection (a), calculated as if the only attempt at the course was the attempt in

which the highest grade was achieved. Only one (1) course may be repeated for favorable treatment in calculating the grade point average under this subsection (d). TSAC shall promulgate rules and regulations to effectuate the purposes of this subsection (d). All such rules and regulations shall be promulgated in accordance with the provisions of the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

SECTION 3. Tennessee Code Annotated, Section 49-4-909(a)(5), is amended by deleting the language "for the total number of semester hours that the student has attempted at any postsecondary institution".

SECTION 4. Tennessee Code Annotated, Section 49-4-920(e), is amended by deleting the subsection in its entirety and by substituting instead the following:

(e)

(1) TSAC shall review a student's eligibility at the end of the semester in which the student has attempted twenty-four (24) semester hours. If a student receiving a Tennessee HOPE access grant has achieved the cumulative grade point required under §49-4-911 at the end of the semester in which the student has attempted twenty-four (24) semester hours, then the student shall be eligible for a Tennessee HOPE scholarship. If the student meets the requirements of § 49-4-915(a)(2), the student shall be eligible for an ASPIRE award.

(2) If a student receiving a Tennessee HOPE access grant does not achieve the cumulative grade point average required under §49-4-911 at the end of the semester in which the student has attempted twenty-four (24) semester hours, but the student, without financial assistance from lottery proceeds, continues to attend an eligible postsecondary institution and achieves the cumulative grade point average required under § 49-4-911 at the end of the semester in which the student has attempted forty-eight (48), seventy-two (72), ninety-six (96) or any subsequent multiple of

twenty-four (24) semester hours, then the student shall be eligible for a Tennessee HOPE scholarship, if the student meets all other applicable requirements. If, at such time, the student meets the requirements of § 49-4-915(a)(2), the student shall be eligible for an ASPIRE award.

SECTION 5. Tennessee Code Annotated, Section 49-4-929, is amended by deleting subsection (c) in its entirety and by substituting instead the following:

(c) If the student transfers to an eligible postsecondary institution, then the student shall have the cumulative grade point average required under § 49-4-911 at the time of transfer to be eligible academically for the Tennessee HOPE scholarship.

SECTION 6. Tennessee Code Annotated, Section 49-4-937(c), is amended by deleting the subsection in its entirety and by substituting instead the following:

(c) Enrollment at a Tennessee technology center by a student working towards a diploma before receiving a Tennessee HOPE scholarship, General Assembly Merit Scholarship, or Tennessee HOPE access grant under the provisions of this section shall not count under the provisions of § 49-4-913 or § 49-4-920 towards the limitation on receipt on a Tennessee HOPE scholarship, General Assembly Merit Scholarship, or Tennessee HOPE access grant.

SECTION 7. Tennessee Code Annotated, Section 49-4-913, is amended by deleting the section in its entirety and by substituting instead the following:

§ 49-4-913. Except as set forth in §§ 49-4-919, 49-4-930, 49-4-931 and 49-4-937, a student may receive a Tennessee HOPE scholarship until the first of the following events:

(1) The student has earned a baccalaureate degree; or

(2) Five (5) years have passed from the date of the student's initial enrollment at any postsecondary institution.

SECTION 8. Tennessee Code Annotated, Section 49-4-919(a), is amended by deleting subdivision (2) in its entirety.

SECTION 9. Tennessee Code Annotated, Section 49-4-920(f), is amended by deleting subdivision (2) in its entirety.

SECTION 10. Subject to appropriation by the general assembly, it is the legislative intent that six million eight hundred thousand dollars (\$6,800,000) from the lottery for education account may be used to supplement student assistance awards each year in addition to any other appropriations which may be made in the appropriations act for such student assistance awards.

SECTION 11. Tennessee Code Annotated, Title 49, Chapter 4, Part 9, is amended by adding the following language as a new, appropriately designated section:

§49-4-9__.

Any funds in excess of ten million dollars (\$10,000,000) on July 1, 2008, in the lottery for education account established in § 4-51-111 may be invested pursuant to this section. The state funding board created by § 9-9-101 shall adopt an investment policy for such funds intended to maximize recurring revenues available for the purposes of this act. Such funds may be invested in the state pooled investment fund established by § 9-4-603, the intermediate-term investment fund established by § 9-4-608, the chairs of excellence endowment fund established by § 49-7-501, any securities authorized in § 9-4-602, or in any securities or classes of securities not specifically authorized in § 9-4-602 which are approved by resolution of the state funding board. All earnings attributable to such investments shall be credited to the lottery for education account.

SECTION 12. It is the legislative intent of the general assembly that, in the event that additional net lottery proceeds is available, the Helping Heroes scholarship program be the next program priority to be funded.

SECTION 13. TSAC, in consultation with the department of education, is authorized to promulgate rules and regulations to effectuate the purposes of this act. All such rules and regulations shall be promulgated in accordance with the provisions of Tennessee Code Annotated, Title 4, Chapter 5.

SECTION 14. The provisions of this act shall not be construed to be an appropriation of funds and no funds shall be obligated or expended pursuant to this act unless such funds are specifically appropriated by the general appropriations act.

SECTION 15. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 16. Sections 2 through 6 of this act shall take effect upon becoming law, the public welfare requiring it, and shall apply to students seeking Tennessee HOPE scholarships for the 2008-2009 academic year whose eligibility was reviewed at the end of the 2007-2008 academic year according to § 49-4-911 and who achieved a cumulative grade point average of at least 2.75, and to all students seeking Tennessee HOPE scholarships in academic years thereafter. Sections 7 through 9 of this act shall take effect upon becoming a law, the public welfare requiring it, and shall apply to students seeking postsecondary financial assistance from net lottery proceeds for the 2008-2009 academic year and academic years thereafter. All remaining sections of this act shall take effect upon becoming law, the public welfare requiring it.